UNITED NATIONS

General Assembly

FIFTY-FIRST SESSION

Official Records

SECOND COMMITTEE
16th meeting
held on
Friday, 25 October 1996
at 3 p.m.
New York

SUMMARY RECORD OF THE 16th MEETING

Chairman: Mr. HAMBURGER (Netherlands)

CONTENTS

AGENDA ITEM 95 : SECTORAL POLICY QUESTIONS

(a) INDUSTRIAL DEVELOPMENT COOPERATION

(b) FOOD AND SUSTAINABLE AGRICULTURAL DEVELOPMENT

This record is subject to correction. Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of the publication* to the Chief of the Official Records Editing Section, room DC2-794, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

Distr. GENERAL
A/C.2/51/SR.16
27 August 1997
ENGLISH
ORIGINAL: SPANISH

96-81620 (E)

The meeting was called to order at 3.05 p.m.

AGENDA ITEM 95 : SECTORAL POLICY QUESTIONS

(a) INDUSTRIAL DEVELOPMENT COOPERATION (A/51/340, A/51/211-S/1996/551, A/51/462-S/1996/831)

(b) FOOD AND SUSTAINABLE AGRICULTURAL DEVELOPMENT (A/51/431)

1. Mr. CAMPOS (Director-General, United Nations Industrial Development Organization (UNIDO)), introducing the report of the Secretary-General entitled "Sectoral policy questions: industrial development cooperation" (A/51/340), drew attention to the highlights of that report. A central premise of the report was that industrialization remained a driving force of development. In the modern globalized economy, industrial development was an essential requirement for the integration of developing countries into the mainstream of the world economy, thereby providing new opportunities for them to benefit from the enormous expansion of trade in manufactured goods.

2. UNIDO recognized that the process of industrialization was increasingly driven by the market and led by the private sector. However, it also realized that governments continued to play a pivotal role in that process. Governments not only set the policy and enabling framework for industrialization but also helped the market function more efficiently by adopting a wide variety of measures. In that context, the role of the private sector was increasingly important. But Governments could not fully accomplish all those tasks without the help of the international community. The international community must establish a supportive environment at the national, subregional and regional levels, by promoting the role of the private sector and international investments. That was the paramount purpose of international cooperation for development.

3. The report gave very encouraging figures for the manufacturing value-added of developing countries and their share of world manufacturing exports. Those figures demonstrated the considerable progress towards industrialization made by developing countries. However, the aggregate figures presented only a partial picture of industrial progress in the developing world and obscured enormous regional disparities.

4. At a time of increasing global market integration, trade liberalization, rapid advances in technology and growing interdependence of nations, the uneven pace of industrialization in developing countries presented great challenges to the international community. The first problem was how best to support the efforts of those developing countries which had been largely left behind. The second was how to sustain economic progress while strengthening social equity in the developing countries. Unless a solution was found to those problems, support for the process of globalization could diminish and there could be a resurgence of trade conflicts.

5. International industrial cooperation must address priority issues such as poverty eradication and employment creation, industrial competitiveness to redress international development disparities, investment promotion and access to technology, human resource development and, private sector development, with

particular attention to the enhancement of institutions, entrepreneurship and small and medium-scale industry and environmental sustainability.

6. UNIDO had embarked on a programme of reform in response to the needs of international industrial cooperation. In that context, it had redefined and updated its work, restructured its organization, reduced its budget by more than 25 per cent and its staff by almost 40 per cent and streamlined its service delivery processes and its administrative procedures, without reducing its technical capability in the industrial field.

7. The new work programme of UNIDO placed greater emphasis on building the industrial productive capacity of the least developed countries, especially in Africa, and gave priority attention to the industrial sectors which were linked closely to agriculture and basic industrial needs.

8. Operationally, the UNIDO work programmes were based on the following thematic priorities: formulation of strategies and institution-building for global economic integration; innovation, productivity and quality to increase competitiveness; industrial information, investment and technology promotion; human resource development with special attention to the integration of women in industrial development; rural industrial development; and industry-related environment and energy issues. UNIDO had also sharpened the focus of its programmes of cooperation with the rapidly developing regions and subregions. UNIDO was trying to play a catalytic role with its specialized expertise and networks around the world.

9. Africa had high priority in the UNIDO work programme. Recently, the Alliance for Africa's Industrialization had been launched in Abidjan, Côte d'Ivoire, with the active participation of African Governments. The aims of the Alliance were to accelerate Africa's industrialization through capacity-building and partnerships between Governments and private industry. At the core of the alliance was African ownership of the initiative and the mobilization of Africa's own resources, savings and investments.

10. UNIDO, aware of the need to work with other organizations in order to build on complementarities and improve inter-agency coordination, was working in close cooperation with the World Bank, the regional development banks, the United Nations Conference on trade and Development (UNCTAD), the Food and Agriculture Organization of the United Nations (FAO), the World Health Organization (WHO), the United Nations Environment Programme (UNEP), the United Nations Development Programme (UNDP), the United Nations International Drug Control Programme (UNDCP), the United Nations Children's Fund (UNICEF), the Montreal Protocol, the Global Environment Facility and the Common Fund for Commodities.

11. In addition, UNIDO had contributed to the achievement of the aims and action plans of the major United Nations conferences by integrating the results of the conferences into its work programme and by participating actively in the follow-up to those conferences at the inter-agency level.

12. Lastly, he referred to the statement made by the representative of the Netherlands at the Committee's third meeting and expressed support for the premise that peace and development were mutually reinforcing. However, development itself was sustainable in the long run only in the context of a

productive and healthy economy which, in turn, required the diversification and expansion of economic activities, in a word, industrialization. In that way, industrialization could contribute to peace building and sustainable development in future years.

13. Mr. RAHMAN (United Nations Conference on Trade and Development) introduced the report of the Secretary-General entitled "sectoral policy questions: food and sustainable agricultural development" (A/51/431). The report had been prepared by the United Nations Conference on Trade and Development (UNCTAD) in collaboration with the Food and Agriculture Organization of the United Nations (FAO) and the United Nations Development Programme (UNDP).

14. The report had two substantive parts. The first part reviewed some salient issues related to freshwater resources, agricultural production, food security and water policies and strategies in developing countries. It provided a brief overview of the activities of agencies of the United Nations system and other organizations on water resources management. The report underlined the significance of conservation, the sustainable use and integrated management of water resources and the importance of capacity-building at all levels in achieving efficient and highly productive water management and ensuring sustainable, sufficient and low-cost food supplies for the projected population.

15. The second part of the report focused on the implications of the reform of world agricultural trade initiated by the Uruguay Round Agreement on Agriculture for the Development of global food production, agro-industrial products and international markets for agricultural products. It examined the possible effects of the reform on global food security. The report stressed the importance of rapid implementation of the Uruguay Round Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least Developed and Net Food-Importing Developing Countries.

16. Ms. DENGO (Costa Rica), speaking on behalf of the Group of 77 and China, said that, as indicated in the report of the Secretary-General on industrial development cooperation (A/51/340), the developing countries had made significant progress towards industrialization. Nevertheless, such progress had been highly uneven, particularly in the least developed countries, which had been bypassed by industrial progress. The globalized world economy made it necessary for countries to strengthen their industrial base. Industrial growth contributed to economic expansion and, accordingly, to poverty eradication.

17. At their twentieth annual meeting, held in New York on 27 September 1996, the Ministers for Foreign Affairs of the Group of 77 and China had adopted a Ministerial Declaration underscoring the importance of industrial development. The Ministers had reaffirmed the urgency of promoting industrialization as a dynamic instrument vital to the rapid economic and social development of developing countries. They had emphasized that the globalized world economy had wide-ranging implications for the economic growth and development of the developing countries. For that reason, it had become imperative to strengthen the industrial base of such countries, particularly African and least developed countries. In that regard, the Ministers believed that the role of the united Nations Industrial Development Organization (UNIDO) had assumed greater importance and relevance. The Ministers had taken note of the reform process undertaken by UNIDO and had reaffirmed their strong commitment to support UNIDO.

18. The Group of 77 and China especially welcomed the renewed emphasis given by UNIDO to programmes and activities related to employment generation, environmental sustainability, private-sector development and industrial competitiveness. The role which the private sector had assumed in UNIDO programmes and activities was especially noteworthy. The Group of 77 and China supported UNIDO in its efforts to assist the least developed countries, particularly in Africa.

19. In addition to industrialization, food security and sustainable agricultural development were essential to the progress of the developing countries. Poverty and underdevelopment were the root causes of the lack of food security in those countries. Therefore, the only effective and long-term solution to the problem of food insecurity was the eradication of poverty through programmes to promote sustained economic growth and sustainable development.

20. Each country and its people, bore primary responsibility for achieving food security. Nevertheless, the international community was duty-bound to assist the developing countries in their efforts to achieve food security. The Group of 77 and China believed that the international community should, inter alia, alleviate the debt burden of the developing countries, increase capital flows to those countries, especially official development assistance, and eliminate trade practices which discriminated against the developing countries.

21. Achieving global food security also required increases in food production, particularly in many of the low-income food-deficit countries. That could only be ensured through the sustainable management of the world's natural resource base. Currently, the resource base for agriculture, fisheries and forestry was under serious pressure and was threatened by numerous problems, such as desertification, deforestation, over-fishing, loss of biodiversity and climate change. Accordingly, the necessary increases in food production must be achieved without endangering future productive capacity and in a manner consistent with the sustainable management of natural resources and adequate environmental protection.

22. As not all countries could fulfil their essential food needs from their own production alone, trade played an important role in supplementing domestic supplies. In that context, trade must be conducive to food security; to achieve that, efforts were needed to ensure that trade stabilized food supplies and was beneficial for the poor. The Group of 77 and China noted with satisfaction that FAO had convened a World Food Summit, to be held in Rome from 13 to 17 November 1996, in order to address the major challenge of achieving world food security.

23. Increasing food aid for development was extremely important, especially for the least developed, low-income, food-deficit countries. The provision of food aid for development should take into account the needs and priorities of the receiving countries and should be unconditional. The practice of using food aid to exert political pressure or as a means of applying sanctions should be vigorously condemned.

24. As any draft resolution on the subitem entitled "Food and sustainable agricultural development" must take account of the results of the World Food

Summit, the Group of 77 and China proposed that the deadline for the submission of draft resolutions on the item should be extended to 23 November. Lastly, in the context of the growing collaboration between the United Nations system and the Bretton Woods institutions, the Group of 77 and China advocated more sustained and structured cooperation between UNIDO and FAO, on the one hand, and the Bretton Woods institutions and the World Trade Organization (WTO), on the other hand. Such collaboration would bring together the expertise and resources of the agencies concerned and would be of great benefit to the developing countries.

25. Mr. CAMPOS (Director-General, United Nations Industrial Development Organization (UNIDO)) said that the Group of 77 and China clearly valued not only the role that industrialization played in promoting long-term economic development, but also the need for such specialized support services and institutions as the United Nations Industrial Development Organization (UNIDO). UNIDO had undertaken reforms in order to work more effectively with Governments and the private sector, thus demonstrating that with the support of Governments, reforms were possible when the will existed to carry them out.

26. UNIDO would continue to support developing countries, countries with economies in transition and, in particular, the least developed countries, focusing on two factors: (a) fostering institutional capacity in order to create or reinforce a climate at the institutional and regulatory levels that were favourable to industrial development and the growth of the private sector, and (b) the use of the global technical information network, promotion of investment and low-pollution technologies to encourage investment flows that would allow the creation of the maximum world volume of capital for development.

27. Ms BORWNE (Ireland), speaking on behalf of the European Union and of the associated States of bulgaria, Cyprus, the Czech Republic, Estonia, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia, as well as of Iceland, said that at the World Summit for Social Development, improving and enhancing the quality of life of all people had been proclaimed as the ultimate goal of social development. In a world where 800 million people did not have enough food to meet their basic nutritional needs, access to sufficient and nutritionally adequate food was essential.

28. While the world had seen an overall increase in food production, that had not always been translated into more food for the poorest. The principal objective of the World Food Summit had been to address the causes of food insecurity and to make a commitment to the achievement of food security for all people. Progress in poverty eradication was essential to improve food security and access to food. While everyone accepted that the primary responsibility in that regard lay at the national level, the Summit was an important and timely recognition of the multifaceted nature of food security and of the need to encourage cooperation at the international level to support the efforts of Governments.

29. Governments had the responsibility to promote food security and to follow development policies which promoted an equitable distribution of income and food based on macroeconomic and sectoral policies which encouraged respect for the environment. Moreover, they had a crucial role in creating an enabling environment for the development of those sectors. Women played a central role

in food production and marketing, and their involvement in the decision-making process was fundamental to a successful strategy for food security, as well as to their equal access to land, credit and inheritance.

30. The European Union considered that the Uruguay Round agreements offered opportunities to all countries to increase trade, but recognized that every effort must be made to implement the Marrakesh Ministerial Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least Developed and Net Food-Importing Developing Countries.

31. Governments and civil society would need to work together in implementing the commitments undertaken. The European Union reiterated the importance of an integrated follow-up by the United Nations system to the World Food Summit consistent with the approach taken to the implementation of the commitments and plans of action of other recent summits and conferences. The Food and Agriculture Organization of the United Nations (FAO) had a special role in that context, but food security was a cross-sectoral issue of concern to all actors in the system, who should act together within established inter-agency coordinating mechanisms to ensure an integrated follow-up to the Plan of Action approved at the Summit. The World Food Summit would complete the new international consensus on sustainable people-centred development by adding the crucial dimension of food security.

32. Mr. RAHMAN (United Nations Conference on Trade and Development (UNCTAD)) said that during the Uruguay Round negotiations, the concern had arisen that liberalization in the area of agricultural trade could raise world food prices, thereby adversely affecting least-developed and net food-importing developing countries. The basic idea was that if prices rose, those countries would need more food aid and financial assistance in order to cover high costs caused by the rise in prices, as well as support for increased food production once the trade imbalances in agricultural products had disappeared as a result of reductions in subsidies.

33. Several studies indicated the possibility that international food prices would rise and that the weakest countries would find it difficult to take advantage of the opportunities that should arise when subsidies were reduced. That concern was valid, and reconfirmed the importance of prompt and effective implementation of the Uruguay Round decision on measures concerning the possible negative effects of the reform programme on least developed and net food-importing developing countries.

34. Mr. NEBENZIA (Russian Federation) said that in the view of his Government, UNIDO should continue to be the central agency of the United Nations responsible for coordinating industrial development assistance, particularly in view of the quality of the reforms in progress and of the transparency of the process, which allowed all Member States to know how the desired goals were being attained. UNIDO should increase its contracts with the Commission on Sustainable Development in the area of low-polluting technologies, the industrial environment and sustainable patterns of production and consumption.

35. The Russian Federation welcomed the inclusion of the problem of countries in transition in the activities of UNIDO, and hoped that the concept of a regional agency to promote industrial development, developed by Russian experts

at the request of the UNIDO secretariat, as well as the new UNIDO initiative on countries in transition, would strengthen cooperation in that area. It also welcomed the services of UNIDO in promoting investments, and noted that the two forums held by UNIDO in the Russian Federation in 1994 and 1995 had promoted interest in such cooperation in the region, thereby contributing substantively to the country's economic development.

36. On the topic of food and sustainable agricultural development, the solution to the world food problem was intrinsically linked to the creation of an environment of stability and to sustainable development. Nevertheless, world trends showed that the efforts of Governments and the international community were insufficient to stem the spread of hunger in the world.

37. In that connection, the Russian Federation welcomed the convening of the World Food Summit, and hoped that it would carry out a comprehensive analysis of all elements of food security and determine ways to eradicate the primary causes of hunger and food shortages in various areas of the world. It also hoped that regional approaches would be adopted in searching for solutions to those problems. The Russian Federation considered that the Summit should not become a new international agency or mechanism, but that each Government should implement whatever Summit decisions it found most appropriate. The Russian Federation believed that eliminating the causes of food insecurity and instability required sound policies for sustainable agricultural development centred at the national level and on the efforts of the States themselves.

38. According to FAO statistics, 12 Eastern European Countries were among the low-income countries suffering from the food shortage. Throughout the former Soviet Union, political and economic changes had brought about reduced production, contraction of the agricultural sector, price increases, reductions in incomes and employment in agricultural areas, and reductions in government spending on social security. The countries in transition needed special measures by the international community and the United Nations to promote sustainable agricultural development, and the Russian Federation hoped that the particular interests of those countries would be reflected in an adequate and balanced way in the final document of the World Food Summit.

39. Mr. CAMPOS (Director-General, United nations Industrial Development Organization) said that because it was the central coordinating body for industrial development matters, UNIDO had undertaken reforms in order to further promote development. It would continue to report with complete transparency not only on the results of that process, but also on how to reinvest resources resulting from the reforms in various activities.

40. UNIDo had continued to lay an increasingly important role in sustainable development while maintaining broad-based relations with the Commission on Sustainable Development; it had continued to help countries throughout the world, particularly developing countries and countries in transition, to transform their technology in order to prevent damage to the zone layer. National low-polluting production centres had been created to provide assistance in the form of information and to create experimental projects to demonstrate the benefits of incorporating low-polluting technology in industrial processes. UNIDO had continued working to promote investment, and thanks to the support and trust of the countries concerned as well as to the centres established in

collaboration with the Russian Federation and other countries in transition, UNIDO would be able to continue contributing to a more balanced industrial development.

41. Mr. RAHMAN (United Nations Conference on Trade and Development) said that, while he agreed fully with the remarks of the representative of the Russian Federation concerning the need for national policies for sustainable agricultural development in order to deal with food security problems, it should be borne in mind that many countries were unable to develop a strategy for agricultural development since they lacked water resources; they would therefore have to depend on the world food market.

42. Mr. GALVARRO (Bolivia), speaking on behalf of the members of the Rio Group, said that despite the considerable efforts made to increase per capita food supplies, there had been more than 800 million malnourished people in the developing countries at the beginning of the 1990s. In Latin America and the Caribbean about 64 million people - 13 per cent of the region's population - suffered from malnutrition. During the FAO regional conference for Latin America and the Caribbean, held in Paraguay in July 1996, it had been determined that, based on available natural, human and technological resources, the region could set two complementary goals for the year 2010: to reduce malnutrition from 15 per cent in the period 1991-1992 to 6 per cent, and to ensure that the nutrition supply should be no less than 2,700 calories per person per day in any country.

43. The Rio Group attributed great importance to the World Food Summit to be held in Rome; it would be the first time in the 50-year history of FAO that Heads of State and government were meeting to renew their commitments to the eradication of hunger and malnutrition and to food security for all, by adopting concerted policies and efficient strategies to deal with the underlying causes of the problem.

44. Industrial development continued to be fundamental to the modernization of developing countries. Faced with the phenomenon of globalization and interdependence, the economic success of any country was closely linked with industrial and technological competitiveness. As stated in the report of the Secretary-General on industrial development cooperation (A/52/340), manufacturing value added (MVA) had shrunk in 1995 by 0.8 per cent in Latin America and the Caribbean, compared with a modest growth of 6.0 per cent in 1994. However, the region's share in developing-country MVA had fallen from 37 to 24 per cent between 1985 and 1995.

45. Now more than ever, Governments needed support in formulating industrial strategies and policies. The international community must recognize the important role that UNIDO was called on to play in promoting socially and environmentally sustainable industrial development on the threshold of the twenty-first century.

46. Mr. CAMPOS (Director-General of the United Nations Industrial Development Organization), after thanking the representative of Bolivia for his statement on behalf of the Rio Group, said that Latin America had indeed lost some of its industrial dynamism. Although there were clear signs of revival in some countries, there was need for a fundamental boost and a continuous reappraisal

of industrial strategies, taking into account the new challenges of globalization and interdependence. With that in mind, a meeting of ministers of industry from the Latin American countries has been planed for 1997 in order to review the situation and further boost the industrialization of the region. It was essential that the importance of that meeting should be fully realized.

47. Mr. ISLAM (Bangladesh) supported the views expressed by the representative of Costa Rica on behalf of the Group of 77 and China, and said that the world was currently witnessing fundamental changes which had placed humanity on the threshold of a period of steady growth. Nonetheless, despite rapid progress in trade, technology and industry, 800 million people in the developing world remained chronically undernourished and more than 80 countries were failing to produce enough food for their peoples, some even failing to import sufficient quantities to make up for the shortfall.

48. Bangladesh was spending heavily on cereal imports. Despite the impressive progress achieved in the field of technology inputs and crop diversification, Bangladesh was having to import on average 1.8 to 2 million tons of wheat and rice every year. The huge expenditure on cereal imports was putting great pressure on foreign exchange reserves and diverting scarce resources from vital development projects including those aimed at increasing cereal production. That vicious circle was discernible in all low-income food-deficit countries and in some developing countries. The solution to the problem was to enable the countries concerned to buy their food without having to divert resources from development projects.

49. In the light of that situation, the General Assembly in its resolution 49/103, had noted with concern that the overall resource allocation for the development of food and agriculture in developing countries had continued to decline and urged the international community to place food and agricultural development high on the agenda and to mobilize resources at the national, bilateral and multilateral levels in support of sustainable agriculture in developing countries. It had also urged all countries, particularly the developed countries, to strengthen their efforts to create a more favourable international economic environment, in particular a more open agricultural trading system which would stimulate food production and productivity in developing countries, and in that context had stressed the importance of the urgent and full implementation of the agreements contained in the Final Act of the Uruguay Round.

50. The world currently had the ability to produce enough food for all of humanity. Every effort must be made to attain that lofty goal and to ensure, at the same time, that, in the process, no irreparable damage was done to the planet. Resources must be harnessed responsibly for the benefit of the people. Responsible exploitation of natural resources must be undertaken in a spirit of equitable sharing.

51. With regard to small-scale agro-based industry, another question referred to in General Assembly resolution 49/103, he cited the example of the Grameen Bank, a very well-known institution in his country which was in the laudable business of extending credit to small farmers, particularly women. The Bank had granted hundreds of millions of dollars in loans and was operating very effectively, as demonstrated by the fact that its rate of recovery on loans was

over 98 per cent. Bangladesh hoped that the United Nations would help that institution and provide assistance for the establishment of similar institutions in other places.

52. Mr. CAMPOS (Director-General of the United Nations Industrial Development Organization), replying to the statement made by the representative of Bangladesh, said that rural industrial development and small- and medium-scale agro-industry were undoubtedly among the basic priorities of the new UNIDO programme of work and were acquiring ever-greater importance, as shown by the Organization's recent establishment of the International Business Advisory Council. In that context, the appointment of the Director of the Grameen Bank as a member of the Council demonstrated that UNIDO viewed the Bank's experience as important.

53. Mr. MYINT (Myanmar) expressed support for the statement delivered by the representative of Costa Rica on behalf of the Group of 77 and China, and said that the General Assembly, in its resolution 49/103, recognized the importance of stimulating food production and agricultural productivity in developing countries by adopting appropriate policies that took fully into account Agenda 21, in particular its chapter 14. Myanmar was still an agricultural country. For a long time, Myanmar had not only fulfilled its own food needs but had also been a net exporter of food. In the mid-1980s, however, exports, particularly rice, had begun to decline. Rice was the staple of Myanmar and its main export product. Therefore, an increase in agricultural production had become a primary objective in order to meet the growing consumption demands of the increasing population and to generate income from exports.

54. The agricultural policy of Myanmar pursued three main objectives: to attain self-sufficiency in domestic consumption; to promote exports; and to produce sufficient industrial raw materials. Through the correct implementation of appropriated national agricultural policies, the trend in Myanmar's agricultural production had lately been one of steady growth. Using the 1991-1992 season as the base year, the production of some of the main crops had increased by 136.3 per cent in 1995-1996, the last year of the four-year short-term plan.

55. There had also been an increase in cultivated area, cropping intensity, mixed and multiple cropping and cultivated areas irrigated by various means, such as canals, tanks, wells and pumps. The adoption of measures such as intensive cultivation, utilization of quality seeds, application of new and improved methods of cultivation and treatment of various crops, the use of more appropriate agricultural machinery and technology, combined with the provision of more credit for agriculture, had contributed to the rapid development of the sector in a short period. The end result had been that Myanmar had been able to fulfil the food requirements of its people and also increase its agricultural exports, which had risen from 1,011 million yats in 1991-1992 to 2,969 million yats in 1995-1996.

56. The experience of Myanmar demonstrated that food production and agricultural productivity could be increased through the implementation of appropriate policies. Myanmar had been confronted by many difficulties in that undertaking, but, fortunately, had managed to overcome them, in part -- it should be recognized -- through the cooperation and assistance of the United Nations agencies and of friendly countries and organizations. Needless to say,

better results could be achieved with greater assistance and cooperation. His delegation wished to reiterate that in order to achieve global food security, sustainable productive agriculture and the alleviation and eradication of poverty, developed and developing countries alike must cooperate with a view to the urgent and full implementation of the agreements contained in the Uruguay Round, as requested by the General Assembly in its resolution 49/103.

57. Mr. TOMITA (International Fund for Agricultural Development) said that humanity continued to be faced with the paradox of a planet that produced enough for all its inhabitants but in which, at the same time, over 800 million people had no guarantee of an adequate diet. Most of the people concerned lived in rural areas of developing countries. Two thirds of them were women, who bore the brunt of the burden of poverty and hunger. The rural poor were at the heart of the IFAD mandate; the Fund had committed all of its resources to policies, projects and programmes that would best enable the rural poor to support themselves and their families.

58. IFAD was proud of its achievements in financing innovative projects designed to alleviate rural poverty. The reduction of rural poverty was critical to ensuring sustainable human development. However, international and national development activities had often bypassed that vulnerable group. The objective of IFAD was to fill that gap.

59. Part of the problem had been the traditional perception of poverty itself and of the poor. IFAD believed that the rural poor were in that situation not because they were inefficient but rather for reasons beyond their control. With the right tools, the necessary public infrastructure and access to credit and training, the productive capacity of the poor could be harnessed. Sustainable rural development and growth entailed poverty reduction, broad-based economic growth, food security and natural resource management.

60. IFAD had accumulated great experience in pursuing those objectives, which required different but complementary strategies. The essence of development at that level was to sustain and to enhance the capacity of the poor and producers, as economically active people. The steps taken by the individual small producer to improve his well-being might be limited. However, if development was to have a significant impact, it must be based on the creation of conditions in which a large number of people could take such small but decisive steps that might lead collectively to the gradual transformation of their living conditions.

61. Four key lessons had emerged from the IFAD experience, the four cardinal rules of local-level development. First, the rural poor must be understood in their own context. Second, activities must be designed, implemented and evaluated together with the rural poor, for development was something that people did, not something that was done for them. Third, resources must be channelled to the rural poor and managed by them as directly as possible. Lastly, an enabling institutional environment that fostered a representative decentralized and participatory system of local governance must be promoted.

62. The combination of those four cardinal rules of development at the local level defined the approach of IFAD, based on precise actions to reduce rural poverty and promote a process of equitable and broad-based agricultural and rural development. The motor of that process was the promotion of an enabling

environment that would ensure increased access for the poor to economic services and industrial goods, given that the great majority of poor people in rural areas were self-employed and that their prosperity depended on their having direct access to more and improved means of production. Finally, he said that reaching the poorest of the poor was an arduous task, but that alleviating their sufferings and providing them with the necessary tools was one of the most gratifying tasks the international community could have. For that reason, IFAD was determined to ensure that efforts in that direction continued uninterrupted.

63. Mr. YU Qingtai (China) expressed his delegation's full support for the statement made by the representative of Costa Rica on behalf of the Group of 77 and China; as a developing country committed to economic growth and to improving its people's standard of living, China was aware of the importance of industrial development in the national economy.

64. The United Nations Industrial Development Organization (UNIDO) was the central coordinating body for the industrial development work of the united Nations system; it had been working steadily for years to promote industrial development and economic revitalization in the developing countries. His delegation noted the reforms carried out in recent years by UNIDO and the progress that had been made, and trusted that UNIDO would carry forward those reforms and succeed in enhancing its role and increasing its efficiency in order to contribute to the activities of developing countries to eradicate poverty and achieve economic and social development. Member States should provide effective support to UNIDO in that undertaking.

65. The international community must face up to the worsening worldwide food security situation. Per capital global food production was currently lower than in the 1980s, food aid had fallen to its lowest level since the 1970s, and prices on the international food markets had risen considerably. All those factors put low-income food-deficit countries in an unfavourable position and was highly detrimental to their economic and social development and to environmental protection. Although the solution to the problem ultimately depended on the peoples of the countries concerned, international cooperation was extremely important. The developed countries should put a stop to the decline in food aid and provide developing countries with the resources and technical support they needed in order to achieve food security.

66. At the same time, the international community should take into account the negative repercussions of the Uruguay Round on food security in developing countries, particularly in low-income food-deficit countries, and should adopt effective measures to solve the problem. His delegation hoped that the World Food Summit which would be held in Rome in November 1996 would adopt a basic document for the adoption of measures to solve the world food security problem. China was prepared to cooperate with all countries in order to attain that goal.

67. China was a developing country with a very large population. The achievement of food security for 1.2 billion people had always been a strategic issue of the highest priority and over the years China had managed unaided to feed 22 per cent of the world's population with 7 per cent of the world's arable land. Agricultural development in China faced numerous problems, but the Government would continue its endeavours to achieve sustainable agricultural

development in order to ensure its people's food security; to do so would constitute a success not only for China but also for world food security.

68. Mr. RAHMAN (United Nations Conference on Trade and Development (UNCTAD)), referring to the negative aspects of the Uruguay Round, said that the Agreement on Agriculture would not necessarily lead to a decrease in world production of agricultural products; in fact food prices might increase and that could have a negative impact on the balance of payments of food-importing countries. The reduction of agricultural subsidies and exports could lead to an increase in crop prices in many developing countries. Whether those countries could take advantage of that situation would depend on how swiftly they reacted. It was very difficult to balance respect for the environment with agricultural production, and there would always be countries that would lag behind in production and would need continuing support.

69. Mr. CAMPOS (Director-General, United Nations Industrial Development Organization) emphasized that UNIDO had collaborated with China to promote investments and ensure the protection of the environment in the context of Agenda 21.

70. Mr. CHOWDHURY (India) said that the report of the Secretary-General on industrial development cooperation (A/50/340) indicated that the developing countries' share of world manufacturing value added had increased. That increase, however, was still well below what was needed in terms of population size, the requirements of economic and social development, poverty eradication and ability to build and sustain an industrial base with its own capacity for technological regeneration. Unfortunately, the report contained no analysis of the extent to which industries in developing countries continued to be dependent on the developed countries for sources of finance, investment and technology. The pace and quality of industrialization was currently becoming an increasingly important issue. The report of the Secretary-General indicated that, while private capital flows had increased significantly, they were still concentrated in a few countries and sectors. Africa's share of global manufacturing value added had declined.

71. Her delegation believed that UNIDO, since its inception, had played an important role in promoting and accelerating industrialization in developing countries. While welcoming the structural changes carried out within UNIDO over the past few years, her delegation felt that that organization's capacity for assisting developing countries needed to be further strengthened and its unique role and identity preserved.

72. Chapter 30 of Agenda 21 had not received adequate attention in the follow-up process to the Rio Conference, and had been examined only briefly by the major groups of countries. The intergovernmental consensus in that regard, as reflected in Agenda 21, mainly referred to the need for business and industry to operate responsibly and efficiently to implement longer-term policies, promote more efficient production processes, utilize resources more efficiently and produce less waste, promote technological and know-how cooperation, strengthen the dissemination of information on cleaner production methods, promote the establishment of venture capital funds for sustainable development projects and programmes, promote the dissemination of environmentally sound technologies and increase research and development in the area of environmentally sound

technologies and environmental management systems. Those issues had not received sufficient attention in the follow-up process to the Rio Conference. She hoped that they would be given due attention at the special session of the General Assembly, in the future work of UNIDO, and in industrial development cooperation in general.

73. Mr. CAMPOS (Director-General, UNIDO) said that systematic information was being collected about the various sectors, and UNIDO would endeavour to include it in future reports; the agreements reached recently with UNCTAD to combine research and analysis capabilities would make it possible to present better information in future. In the work of UNIDO, particular importance was attached to the private sector, and in 1995 a meeting had been held on the private sector and non-governmental organizations whithin the context of Agenda 21. National cleaner production centres had been established in 10 countries, including one in India, with the participation of not only Governments but also research institutes, manufacturers' associations and chambers of commerce and industry.

74. Mr. MAHAGU (Kenya) said that although the developing countries' share of world manufacturing value added had been 19.7 per cent in 1995, the growth in sub-Saharan Africa had been insignificant, only 1.6 per cent in 1995. Kenya's industrial sector, however, had recorded a growth of 3.9 per cent in 1994, despite competition from imported products in its liberalized economy. That growth had been dismal compared with the growth rates of 12 to 15 per cent that had prevailed in Kenya in the 1970s.

75. Kenya appreciated the role of UNIDO in industrial development cooperation and concurred with the Secretary-General that developing countries increasingly required the policy advisory and capacity-building services of UNIDO in support of their endeavours to create an enabling environment for sustainable industrial growth and international competitiveness. It was to be hoped that the collaboration between UNIDO and the World Bank with respect to industrial development within the context of the United Nations System-wide Special Initiative on Africa would facilitate sustainable industrial development in the region. Kenya recognized and appreciated the efforts of UNIDO in the promotion of small and medium enterprises and, given his Government's own emphasis in that area, his delegation urged that there should be enhanced networking through regional and subregional contracting schemes under the auspices of the UNIDO investment promotion programme. Entrepreneurial groups, chambers of commerce and associations of manufacturers must become actively involved in industrial policy formulation and implementation. In that regard, his delegation appreciated the UNIDO initiative of convening industrial investment forums to facilitate the implementation of the Second Industrial Development Decade for Africa (1993-2002).

76. With regard to food and sustainable agricultural development, the World Food Summit to be held in Rome would provide an opportunity for the international community to reenergize the search for lasting food security and the eradication of hunger and malnutrition. His delegation welcomed the renewed focus on the use of fresh water resources for food and agricultural production and the analysis of the impact of the Uruguay Round on food production, including agro-industrial products. There was a need to explore new avenues to expand production on irrigated and rain-fed lands, incorporating water conservation measures such as control of run-off and water harvesting as well as

selectively developing high-yield drought-tolerant crop varieties, the efficient use of herbicides and fertilizers and crop rotation.

77. His delegation called for enhanced technical support to enable developing countries to incorporate new irrigation methods and utilize shallow aquifers and water harvesting techniques in their agricultural activities. His delegation was encouraged by the integrated and coordinated approach taken by the United Nations and its agencies and hoped that that approach would lead to resources being made available for the implementation of policies that would ensure sustainable, sufficient and affordable food for all. Although his delegation agreed that from the economic standpoint a more flexible policy of food self-reliance should be followed, it was concerned about an imbalanced world market and the politicization of trade resulting in possible trade embargoes.

78. Mr. CAMPOS (Director-General, UNIDO) said that a few days previously in Abidjan, the African countries had launched the Alliance for Africa's Industrialization in the hope of securing national, regional and international participation to establish effective programmes for the mobilization of local resources and investment.

79. Mr. RAHMAN (UNCTAD) said that Africa was the continent in which water resources were the least developed. Moreover, food and agricultural production were affected by demographic changes, which was another factor to be taken into account.

80. Mr. MONTOYA (Colombia) said that in the question of food and sustainable agricultural development, the key issue was not supply but access to food. Global availability did not mean that food reached those who needed it most. In spite of global food surpluses, millions of people were still hungry, and that was the result of the poor being too poor to buy the food they needed.

81. The goal of food security for all was at the same time the goal of eradicating poverty. It was to be hoped that the economic and social dimensions of food security would be at the forefront of the World Food Summit outcome. Food was a fundamental component of the human right to an adequate standard of living. The attempt to change the meaning of food security from being a basic human right to mere participation in the global markets, which by definition excluded all those lacking adequate purchasing power, was contrary to that principle. It was to be hoped that clear support measures would be identified with a view to assisting developing countries, especially the food-deficit developing countries, to better compete in the globalized market. It was for that reason that the recent declines in the supply of cereals were a matter of serious concern. According to FAO, cereal stocks were at their lowest level in 20 years. That situation, which would lead to higher prices for food-deficit developing countries and to cuts in food aid, should be addressed rapidly. The World Food Summit should be an appropriate forum to discuss issues relating to the relationship between trade and food security.

82. The policies of some multilateral institutions aimed to encourage poor nations to grow commercial crops to repay foreign debt and to import food. How could food security be achieved under such strategies? Who would be the final beneficiaries of those policies? The determining factors of food supply should be seen only from the perspective of productivity. The World Food Summit must

not be limited to an education campaign; specific targets and commitments on international cooperation in the field of food and nutrition were required. The Summit should incorporate clear and effective commitments on the goals to be achieved: food security, access to food, humanitarian assistance, sustainable agricultural production, trade in accordance with food security objectives and investment in human resources. Commitments on follow-up and implementation must be clearly established as well.

83. The market economy needed to function equitably and promote social stability. The problem of eradicating hunger was not only nutritional, technical or economic; its solution also depended on political will at the international level. Within that framework, food aid should be seen as an essential instrument of development policy. The purchase of products in one country or region to be supplied as food aid to neighbouring areas or countries facing shortages could lead to increased production in developing countries and foster South-South cooperation.

84. It was to be hoped that after the Summit, the mental reservations on the responsibility of the international community and international organizations for food security in poor nations would disappear. Those reservations must be eliminated in order to make a real commitment of solidarity and cooperation with the developing countries.

85. Ms. AMOAH (Ghana) expressed her delegation's support for the statement made by Costa Rica on behalf of the Group of 77 and China. Africa had failed to benefit from economic globalization and liberalization, and was increasingly being marginalized in international trade as a result of its inability to diversify its production and graduate to secondary and tertiary commodities. To avert further marginalization of African countries, it was necessary to promote industrialization as a key element in the development of Africa.

86. In line with the objectives of the Second Industrial Development Decade for Africa, the international community and the United Nations system must strengthen industrial development cooperation for African industrialization in the areas of industrial policy, investment, transfer of technology, institutional and human resource development, and the development of small- and medium-scale industry. Support was also required for the promotion of regional and sub-regional cooperation as a practical means of enlarging markets and establishing multinational projects.

87. Her delegation hoped that within the framework of UNIDO, UNCTAD and other relevant United Nations bodies, adequate support would be extended to developing countries for the removal of structural deficiencies impeding the transformation of the industrial sector and the creation of the conditions necessary for sustainable self-reliant industrialization.

88. With 800 million people chronically undernourished, the World Food Summit, which was to be held in Rome in November 1996, must focus on the search for ways to eliminate hunger and malnutrition worldwide and provide food security for all, while giving attention to the multi-faceted nature of food security. The various facets must be considered within the framework of sustained economic growth and sustainable development. In that regard, any policies designed to

increase food production must take into full consideration the sustainable management of natural resources.

89. Moreover, the Summit must address issues such as capacity building, human resource development and the transfer of appropriate technology in agriculture, as well as the development of endogenous capacity in agricultural research and sustainable food production. Equally important was the adoption of relevant policies to strengthen the contribution of small farmers, women, and local and indigenous communities in food production, measures to ensure or facilitate the provision of infrastructure and storage facilities and to arrest drought and desertification. Finally, the Summit must adopt an effective follow-up mechanism to ensure implementation of the commitments made.

90. Mr. CAMPOS (Director-General, United Nations Industrial Development Organization) said that in order to achieve and improve on the results of the Second Industrial Development Decade for Africa, the African states had established the Alliance for Africa's Industrialization. In the context of that alliance, the heads of State and government of the African countries were firmly committed to drawing up a plan of action which would be submitted to the Conference of African Ministers of Industry, which was to be held in Accra, Ghana, in May 1997, for approval.

91. Mr. RAHMAN (United Nations Conference on Trade and Development) said that, in the context of the globalization and liberalization of the world economy, the African and least-developed countries were increasingly being marginalized. In its study of the least-developed countries, UNCTAD had described the basic difficulties facing those countries in availing themselves of the new opportunities offered by the world economy after the conclusion of the Uruguay Round. One of those basic difficulties stemmed from supply limitations in those countries. The Trade and Development board had requested the UNCTAD secretariat to draw up integrated country programmes in order to deal with the problem of limited supply.

92. Archbishop MARTINO (Observer for the Holy See) said that the sub-topic of food and sustainable agricultural development was literally a matter of life and death. The fundamental importance of food as an essential element of the human right to an adequate standard of living had been recognized by Pope John Paul II in his address to the General Assembly in 1979, as well as in the Universal Declaration of Human Rights, the Universal Declaration on the Eradication of Hunger and Malnutrition and the World Declaration on Nutrition. The Holy See strongly hoped that the right to food would also be enshrined in the final document of the World Food Summit to be held in Rome in November 1996.

93. The right to have enough to eat was fundamental and inalienable for every person, and the international community and national Governments had the obligation to ensure the realization of that right. Solutions that brought only temporary relief to the hunger suffered by many human beings, especially by women and girl children, were not satisfactory for the human family. The debate on food security must be based on a desire for broader solutions which flowed from a profound solidarity among all people. Moreover, the concept of food security must stress such components as the production of a sufficient amount of food, a stable supply throughout the year, access to food for all, a proper and

equitable distribution, and a commitment to producing the components of a balanced and healthy diet in keeping with local nutritional practices.

94. On the other hand, concrete efforts must be made to bring about true agrarian reform with a more equitable distribution of land, especially for the poor. In that regard, the right of women to have access to land must also be strongly reaffirmed. Accompanying such changes must be a commitment to offer proper training on ways of maximizing yield, especially to small farmers. Such training should stress sustainable agricultural practices suited to local conditions.

95. On a global scale, it was necessary to encourage the study of high-yield crops, and to make the results of such studies available in parts of the world where agricultural production was deficient. In addition, economic policies which resulted in an inadequate distribution of food could not be allowed to continue. The international community must also acknowledge that peace was fundamental prerequisite for sustainable agriculture. Once again, the Holy See wished to stress the urgent need for an end to the production, sale, stockpiling, export and use of land mines, which were causing enormous harm to humanity.

96. The Holy See had published a document entitled "World Hunger, A Challenge for All: Development in Solidarity", as its contribution to the discussion surrounding the problem of hunger in a world which had the means to feed every person.

97. Mr. PHANIT (Thailand) said that his delegation supported the statement by the Group of 77 and China on industrial development cooperation. Thailand believed that industrial development facilitated economic growth and technological change, as well as creating dynamic linkages with the agricultural and service sectors and contributing to foreign exchange earnings that were key to overall development. His delegation also agreed with the view expressed by the United Nations Industrial Development Organization (UNIDO) that lasting achievements in poverty alleviation and eradication must build on long-term industrial development, which raised income, created employment and provided the resources required for investment in social development.

98. His delegation was of the view that international cooperation was vital to achieving industrial development. In that context, it supported the work of UNIDO, in particular the programme to promote small and medium-sized enterprises that were competitive and innovative. Over the years, Thailand had participated with UNIDO in various industrial development projects to expand its economic growth. It had undertaken a self-financed project with UNIDO to design a pilot plan for the production of iodized soybean oil aimed at reducing the number of people suffering from iodine deficiency disorders to 5 per cent of the current 15 million by the end of 1997. Thailand had also extended its industrial development cooperation with UNIDO to its immediate neighbours by way of education and training programmes, and the Government was now considering a contribution of $100,000 to the UNIDO Industrial Development Fund.

99. Thailand attached great importance to the issue of food and sustainable agricultural development, since it was a food-exporting country, and a substantial part of its population was engaged in agricultural activities.

Thus, it also attached great importance to freshwater resources, which were key to agricultural activities. With regard to food security, Thailand concurred with the view expressed in the report of the Secretary-General (A/51/431) that full liberalization of trade in agricultural and food products must be achieved in accordance with the provisions of the Uruguay Round Agreement on Agriculture.

100. Mr. WEIBGEN (Food and Agriculture Organization of the United Nations (FAO)) said that FAO had focused its efforts on numerous activities involving all factors relating to the achievement of world food security, including sustainability. Nevertheless, it was clear that its efforts, along with those of many national and international organizations, were insufficient. The Director-General of FAO had taken the initiative to convene a World Food Summit at the highest political level: for the first time in its 50-year history, FAO had called a meeting at the level of heads of State and Government. That initiative had been approved unanimously by the FAO Conference in October 1995 and had received the support of the United Nations General Assembly in December 1995.

101. It was hoped that the Summit would help to increase general awareness that food insecurity continued to be the greatest problem of modern times, but that it could be solved through firm commitments and concerted action at the national and international levels. The objective of the Summit was to renew the commitment of world leaders to the achievement of universal food security.

102. The world food situation was critical. Global grain reserves were below the level considered necessary to guarantee world food security, prices has skyrocketed and low-income developing countries with food shortages had been forced to pay between $3.4 and $4 billion more in recent times for their grain imports.

103. By the year 2030, there would probably be three billion more people on the planet to feed. Policies must be adopted and measures taken to meet future food needs, without losing sight of the current situation. World leaders must examine the present-day tragedies caused by hunger and take decisions on the policies and measures that must be adopted to guarantee sustained progress towards food security for all. During the past year, FAO had produced and distributed widely among Governments, United Nations bodies and other intergovernmental and non-governmental organizations a series of reports and technical background papers and a first draft of a declaration and plan of action, which it hoped would be approved at the Summit. Comments and proposed changes coming from all those sources had been taken into account in the new documents being drafted.

104. Although the final document should be global in scope and include all countries, it was clear that the measures to be adopted would vary among countries and groups of countries. The regional conferences held over the past several months had helped enormously in focusing attention on practical problems and their solution. An important element in achieving success was the general recognition that food insecurity anywhere was a problem with repercussions for all, for ethical as well as economic, political and strategic reasons.

105. Mr. AASS (Norway) said that food security and malnutrition were enormous problems for the world community, which must give top priority to food security

and eliminate all obstacles to the full realization of both universal food security and food security at the household level. Norway would do its utmost to ensure the success of the World Food Summit to be held in Rome in November. The plan of action to be adopted at the Summit must not become only a short-term plan to increase production. What was needed was a long-term action plan reflecting all the environmental, economic, social and political aspects of food security.

106. Increased cooperation and coordination among all relevant multilateral organizations were essential for implementing the action programme of the World Food Summit. Therefore, each organization working with related issues must be given a clear role, whithin its mandate. The commitments made at the other international conferences held over the past several years which were relevant for food security must also be built upon and reinforced.

107. In order to achieve food security, better distribution of income was indispensable. More equal distribution of resources among their citizens was first of all the responsibility of national Governments, and greater efforts were needed to improve the situation for the poorest segments of the population. Food insecurity was a result of inadequate access to natural resources, employment, income or social support. The poorest segment of the rural population must be given increased access to land, technology and credit.

108. Emphasis must also be placed on agricultural education and on the development of human resources, in particular for women and girls. Women played an essential role in achieving food security. In many societies, women were the main food producers and played a key role in the socio-economic development of rural areas. Plans to increase food production must be implemented in such a way that women's health and well-being and their critical contribution to adequate child nutrition were not undermined.

109. The main task facing the international community was poverty reduction, particularly in sub-Saharan Africa. The contribution of the international community to that task was vital. It was therefore regrettable that extrabudgetary funding and overall development aid had declined. Food security for all could not be separated from a sustainable system of production and distribution. But sustainable development did not depend solely on harmonization of development needs and environmental goals; rather, in accordance with Agenda 21, it entailed access to productive resources, increased equity in sharing of outputs, greater self-reliance and improvements in the ways societies were organized. Agriculture, forestry and fisheries were important engines for creating broad-based economic growth. Those sectors were especially important for ecologically and economically marginalized areas.

110. It was necessary to develop cooperation between all levels of Governments, communities and non-governmental organizations in order to establish a better understanding of the nature and value of scarce water resources. Water was a finite resource for all living beings, and access to water had very significant social and economic implications. There was a need to find ways of resolving disputes over the use of water resources by peaceful means, for instance, through bilateral or international negotiations. Steps must also be taken in order to ensure rural and urban communities's access to safe drinking water in sufficient quantities to meet their food security and health care needs. Local

communities, and especially women, must be fully involved in all phases of water resources management.

111. Ms. GRAYSON (World Bank) said that in 1987 the World Bank had conducted an evaluation of its agricultural projects, as a result of which it had substantially decreased its lending for rural development. Recognizing, however, the importance of agricultural development no only for people living in rural areas but as an engine of growth, the Bank had formulated during the past year a new action plan for rural development, designed to address current problems and to provide a new and dynamic framework for future Bank activities in that area. The plan had just been presented to the Bank's Board of Directors.

112. Firstly, the action plan took into account what the Bank had learned from its experience. Accordingly, it was noted that certain projects, including integrated rural development projects, projects providing credit support to specific crops or sectors, frontier settlement projects to solve the problems of providing access to farm land and projects for the construction of large-scale irrigation systems, had not worked.

113. Following that evaluation exercise, measures had been taken to increase commitment to rural development. The action plan took a systematic and coherent approach to the problem of the weak commitments to agricultural development at the country level, within the World Bank and at the international level. In order to tackle the problem at the country and Bank levels, the action plan focused on the process of developing the country assistance strategies as crucial to capturing a renewed country and Bank commitment to rural and agricultural growth.

114. All the Bank's activities in rural development must be based on the following principles of collaboration and selectivity: all Bank activities must reflect its mandate of poverty reduction, sustainable natural resources management and private sector development; the Bank must build alliances with partners at the country level; the Bank needed partners with field presence and experience working in rural areas of the countries concerned, partners with special and complementary expertise and partners with influence and additional financial resources; in each country, the Bank must sequence its own activities appropriately; and the Bank must choose the right product mix.

115. At the international level, the action plan defined a specific set of complementary actions designed to re-establish the necessary priority for improving agriculture and the rural economy, including two high-profile initiatives. The first initiative was to promote further worldwide liberalization of agricultural trade, a necessary condition for ensuring that countries could rely on international markets, rather than self-sufficiency policies alone, for their food security; it was also necessary for ensuring access to the markets of the Organisation for Economic Cooperation and Development (OECD) countries to agricultural and agro-industrial products which partner countries could produce profitably. The second initiative was to promote coordination with other actors to help low-income food-deficit countries to cope with sudden rises in world cereal prices.

116. The action plan was an innovative project. It proposed a new approach designed to address the critical challenges of national and global food security, to raise rural incomes and reduce poverty and to achieve sustainable natural resources management. The plan's key recommendations were that a broad rural focus should be adopted to replace the narrow sectoral focus of the past; partner countries and the broader international community should cooperate in integrating rural concerns into overall country development strategies; the entire World Bank group should become involved in that effort; long-ignored issues should be addressed and decisive action should be taken in areas such as land reform; the Bank's commitment to food consumption policy should be greatly increased; the importance of gender-specific issues in connection with such problems should be recognized and old issues should be addressed in new ways, involving all stakeholders in the development of projects through all stages and promoting the sustainable use of resources through community-based management.

117. The Bank's objectives of poverty reduction, widely-shared growth, food security and sustainable natural resources management could not be met unless rural development in general, and a thriving agricultural economy in particular, were nurtured and improved. She hoped that the Second Committee would find the action plan relevant to its deliberations.

118. Mr. ZARE (Islamic Republic of Iran) said that industrialization was the most vital instrument for economic and social progress in developing countries and that there was a huge gap between developed and developing countries in respect of their industrial and manufactured products. To narrow that gap, it was imperative for developing countries to have a fair share of exports and access to markets. All evidence suggested that industrialization played a crucial role in generating a broad range of skills and expertise, thereby helping to raise the standard of living.

119. Support, through the transfer of environmentally sound technologies, including new technologies, on concessional and preferential terms, was particularly crucial for developing countries in building competitive capacities and promoting industrial growth, technological development and innovation, as well as facilitating industrial restructuring. International support for technical cooperation, the provision of materials and the transfer of technology were the key components of any strategy for facilitating and fostering industrial development.

120. Developing countries increasingly required the technical assistance and capacity-building services of the united Nations Industrial Development Organization (UNIDO), which supported endeavours to create an environment propitious for sustainable industrial growth and international competitiveness. UNIDO could also intensify its efforts to strengthen South-South cooperation as a complement to North-South cooperation in the context of investment and trade links among developing countries.

121. In the area of food and sustainable agricultural development, sufficient resources must be mobilized in support of sustainable agriculture and food security. In that regard, the provision of fresh water for that sector should be one of the main components of any programme, since there were significant variations among continents and regions in the supply of fresh water. The steady increase in the world's food production based on high-yielding varieties,

couples with the use of fertilizers and effective means of pest control, depended on irrigation and water-intensive activities. According to the Secretary-General's report, virtually all countries, such as countries having mainly arid territory and scarce water resources, in the Middle East and North Africa, were already net food importers, and food security in such countries would be closely tied to the solidity of their trading position and the availability of sufficient hard currency to finance their foodstuff imports.

122. Structural improvement of irrigation systems through the use of new equipment and material along with modern water-control technology were necessary to increase arable land. Harvesting and preserving techniques also needed to be improved but, at the macroeconomic level, Governments found it hard to finance such policies and measures. Agriculture and related industries were fast becoming a technology-intensive sector that needed more financial resources.

123. His delegation believed that regional cooperation for management of water resources, in the context of a comprehensive policy framework, and the treatment of water as an economic and tradeable commodity, would improve the supply, management and consumption of freshwater resources in rural and urban areas. The World Bank and related organizations and bodies of the United Nations system should increase their cooperation at the regional level as part of an expanded approach to the problems of scarcity of freshwater, especially in the arid and semi-arid Middle East region. The respective financial institutions should also introduce those potential investment opportunities to the international business community for consideration.

124. Mr. ROMERO (Philippines) said that his delegation attached particular importance to the consideration of sectoral policy questions, since such questions constituted matters of continuing concern to the Philippine Government in its ongoing development efforts. With respect to industrial development cooperation, his delegation wished to reiterate the importance of industrialization as a dynamic instrument for rapid economic growth and social progress in developing countries.

125. In response to the challenges and opportunities afforded by the Uruguay Round, the Government of the Philippines had embarked on a programme of bold domestic reforms that stressed outward-oriented economic policies, including trade and investment liberalization and private-sector-led development processes. Mindful of the linkages between industrial and social development, the Philippine government had sought to implement such policies in conjunction with its social development goals and within the wider context of sustained economic growth and sustainable development.

126. The Philippines placed priority on strategies for poverty alleviation, employment generation, promotion of small- and medium-scale enterprises, technology transfer, human resources development, support for environmentally sustainable industrial processes and agro-industrial development. The success of the Philippines' development strategy had been demonstrated by the marked improvement in the overall economic situation, with a higher per capita GNP, which in 1996 had increased by 7.2 per cent, improved investor confidence and declining poverty levels.

127. In particular, his delegation wished to affirm the coordinating role of UNIDO in the field of industrial development and noted with satisfaction the completion of the reform process undertaken by UNIDO to improve its effectiveness as a global forum for supporting and promoting industrial development and as a supplier of specialized technical cooperation services. In view of an increasing demand for UNIDO services, his delegation wished to express its serious concern at the withdrawal of the United States from UNIDO. The international community must continue to support United Nations bodies that were of particular relevance to the developing countries.

128. With respect to food and sustainable agricultural development, the Philippines affirmed the crucial role of the international community in ensuring the increase of food production and improving access to food in order to contribute to the alleviation of poverty and the elimination of malnutrition. His delegation emphasized the need to mobilize resources at the national, bilateral and multilateral levels in support of sustainable agriculture and food security in developing countries. The importance accorded by the Philippines to that question was underscored by the measures it had instituted to strengthen domestic marketing infrastructure, institutions and services for food security and with a view to strengthening its agricultural base in conjunction with its industrialization efforts. Those measures had been implemented with a view to complying with the Philippines' obligation as a member of the World Trade Organization (WTO) and improving the competitiveness of Philippine agricultural products in preparation for the lowering of tariffs on such products by the year 2005.

129. Mr. HYNES (Canada) said that Canada's active participation in the preparations for the World Food Summit could be explained by one essential consideration: in today's world it was intolerable that 800 million people suffered from hunger and malnutrition. The overriding objective for any action plan that emerged from the Summit should be universal food security.

130. Recognizing that it was everyone's right to have adequate food, his delegation encouraged non-governmental organizations and all segments of society to contribute to the identification and implementation of concrete and sustainable solutions to the problem of food security. Canada had carried out extensive national consultations, particularly among women and men in agriculture and in the food, fisheries and forests sectors, and among concerned non-governmental organizations and aboriginal communities. The Summit would have to base its action on the results of previous conferences and summits. The Organization's work in the filed of peace in security was no less relevant: the efforts to prevent and resolve conflicts would prevent the loss of food security by millions of people, particularly women and children.

131. It would be important for the Summit to strike an appropriate balance between issues of access to food and sustainable production issues. Over the long term, the international community must find a way to produce more food while protecting and conserving the natural resource base. It must also crate the economic, political and social conditions required to reduce poverty.

132. Democratic and participatory decision-making an respect for human rights were of great importance. Social equity and gender equality were also fundamental. The critical role that women and women farmers played in food

security should be recognized, an all countries should introduce measures to strengthen their contribution.

133. His delegation believed that it was critical to protect traditional food sources for indigenous people and to highlight the positive contribution those peoples could make to food security through their traditional knowledge in sustainable resource management.

134. In the context of economic policy, sustainable natural resource management in the fisheries, forestry and agriculture sectors were essential for improving and maintaining food security. Trade and an open and well-functioning multilateral trading system also played a key role in that area. Canada was committed to working through WTO with a view to continuing trade reform. In that connection, Canada was opposed to export taxes and export restrictions that limited the supply of agricultural products on world markets.

135. The World Food Summit should give careful consideration to questions of follow-up and implementation. The plan of action to be adopted at the Summit should be coordinated within the framework of the established mechanisms for integrated follow-up to other major United Nations conferences and summits. Improved coordination and cooperation among all concerned organizations were essential if they were to provide effective support to national efforts to achieve universal food security. That did not prevent FAO from playing a leading role in the implementation of the results of the Summit. Canada also encouraged the development of national and international procedures to ensure the effective participation of all concerned parties, including non-governmental organizations and the private sector, in the follow-up process. Finally, Canada was in favour of a food security approach based on national responsibilities and people-oriented actions within a framework of shared international commitment.

136. Mr. AGUILAR (United Nations Industrial Development Organization) thanked the delegations that had expressed support for UNIDO in their statements. The aspects of UNIDO that had been highlighted in those statements were the result of new priorities and formed part of the future programme of work of that Organization, which looked to the future with optimism and a renewed sense of mission in the field of industrial development.

The meeting rose at 6.10 p.m.